

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 639 – HB 1154

February 19, 2019

SUMMARY OF BILL: Adds the word “valor” to the Silver Star specialty license plate.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – \$3,300/One-Time

Other Fiscal Impacts – TRICOR will receive \$500 in net revenue for every 1,000 new specialty license plates produced.

Assumptions:

- The current inventory of Silver Star specialty license plates will need to be replaced with new plates including the word “valor”.
- It is assumed 1,000 new plates will be manufactured for replacing any existing inventories currently available at the Department of Revenue and within county clerk offices; and for replacing any currently issued plates in the event current registrants request the new updated plate.
- The cost for TRICOR to produce, warehouse, and transport such license plates is estimated to be \$3.30 per license plate.
- The Department of Revenue will reimburse TRICOR for the cost of the license plates.
- One-thousand new license plates will be produced that otherwise would not have been produced under current law, resulting in a one-time increase in state expenditures estimated to be \$3,300 (\$3.30 x 1,000 plates).
- TRICOR’s actual cost to produce, warehouse, and distribute these specialty license plates is estimated to be \$2.80 per license plate, resulting in \$0.50 net revenue per plate for a one-time increase in net revenue to TRICOR of \$500 (1,000 plates x \$0.50).
- Tennessee Code Annotated § 55-4-259 requires the Silver Star license plate to be issued free of charge. Any impact on state revenue is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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